

Note for Rafferty, Shelby

From: Thoocho, Fred
 Date: Mon, Nov 13, 1995 3:26 PM
 Subject: RE: Net Contribution Assumption
 To: Rafferty, Shelby

Donna,

The current 1996 OB net contribution for Parliament is \$23.49. Assuming a 50/50 split between soft pack and box, the incremental cost for the conversion is approximately \$0.35 (\$0.66/2). With a new net contribution of \$23.14 (\$23.49 - \$0.35), the total dollars will go from \$84.6MM down to \$83.4MM which translates to a decrease of \$1.2MM or -1.4%. Let me know if I can share this with Shelby. Thanks, Fred

From: Rafferty, Shelby on Mon, Nov 13, 1995 9:27 AM
 To: Thoocho, Fred
 Cc: Anise, Roy

Fred,

Parliament would only do the heavier cello and board stock on the Box packing which is 50% of the brand's volume. Could you please compute the effect to net contribution for 1996 and provide today? Thanks.

2045569852

3.6 billion

3,600,000,000

3,300,000,000

76,362,000

2045569852A

66/M

\$22.83/M

300,000,000

\$6,849,000

net contribution

✓

0.03

1,650,000,000 x 22.84 = 37,686,000

1,650,000,000 x 23.49 = 38,758,500

1,650,000,000 x 23.14 = 38,181,000

300,000,000 x 22.84 = 6,852,000

\$83,296,500

Reference

\$1.3MM

3.6 = 84,564,000

- 83,296,500

1,267,500

Blue

1,267,500